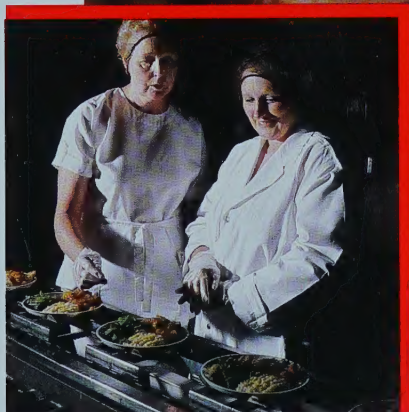
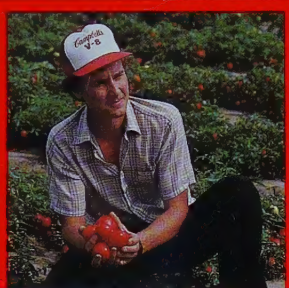


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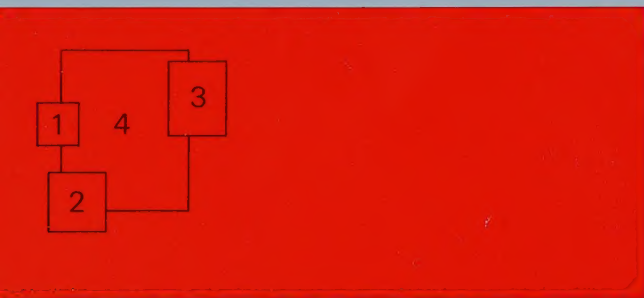
### **Campbell People...**

dedicated to serving our consumers  
with innovative products of the  
highest quality and the best value.



## Annual Meeting

The annual meeting of shareholders will be held in the Regency Room at the Four Seasons Hotel, 21 Avenue Road, Toronto, Ontario, on November 28, 1984 at 2:00 p.m. EST. Refreshments will be served following the meeting.



**The Cover:**  
Dedicated Campbell people working to satisfy customers and consumers...

**1—Donald Epp**, Agriculture Fieldman, checks the quality of this season's tomato harvest in Chatham, Ont.

**2—Marie Van De Walle** (right) and Supervisor **Anne Yeoman** inspect the Company's new Le Menu dinners at the Listowel, Ont. frozen food plant.

**3—Sharad Patel** (left), Account Manager, and **Phil Tierney**, Store Manager, discuss a new store display unit and consumer premium offer for tomato soup.

**4—Putting quality to the test** at the Company's annual employee picnic are **Gordon Cadeau** and his cousin **Kathy Martin**, grandchildren of long-service plant employees **John** and **Kay Cadeau**.

Campbell Soup Company Ltd, incorporated in November 1930, established its original soup manufacturing plant and head office in New Toronto, now part of Metropolitan Toronto, and began making soup in 1931.

Today, with its head office still on the same site and sales offices in most regions of Canada, the Company employs more than 2,200 people and produces more than 250 products in 10 manufacturing plants in five provinces. The Company also owns and operates three farms, which produce mushrooms and poultry.

Campbell's products, sold under various brand names, consist chiefly of canned foods—including some 50 varieties of soup—under the Campbell's and Franco-American brands, Swanson frozen prepared meals and entrees, Pepperidge Farm frozen baked desserts, Allen's fruit juices, "V-8" Vegetable Juice, Gattuso pastas and other Italian specialties, and condiments including Bisto, A-1 Sauce and Allen's vinegar.

Campbell is a public Canadian company with 30 percent of its equity traded on the Toronto, Montreal and Vancouver stock exchanges, under ticker symbol CSC.

# The Campbell Commitment

Over the past year, Campbell Canada took stock of its strengths and its weaknesses; its opportunities and its options. Out of the exercise there emerged a vision: Campbell Canada as a *dynamic, market-oriented, growth company excelling in the “well-being” business*—that is, providing Canadians with nutritious and tasty foods while helping them enjoy a healthy, active and vigorous lifestyle.

To transform this vision into reality, we have emphasized the three values that built the reputation our Company has enjoyed for more than half a century. Now we have rededicated ourselves to these values, which form the core of our corporate philosophy.

## **An obsessive desire to satisfy our customers and our consumers.**

In each of our activities, from the growing of fresh produce to the preparation and delivery of our finished product, we will focus on meeting consumer needs with products and services of the highest possible quality and the best possible value.

## **A passion for creative risk-taking.**

Innovation is the hallmark of all leading companies. By fostering an environment in which creativity flourishes, we will remain on the leading edge of the Canadian food industry.

## **A profound respect for people.**

What better way to engender positive motivation, abiding loyalty and lasting satisfaction among all who work with us, provide us with goods and services, or consume our products?

We are determined to see Campbell ranked among the top five percent of all packaged-goods companies in Canada. By living these core values we can realize this corporate vision within the next four years.



# Letter to Shareholders

For Campbell Canada, fiscal 1984 has been a year of transition—and the time when a significant turnaround began. Every one of our major product lines moved from a position of decline to a position of growth.

The transition took place on several fronts.

- After months of analysis, discussion and corporate soul-searching, management adopted and began implementing Campbell's new corporate strategy.
- We put together a new marketing team that we believe ranks among the best anywhere.
- Campbell Canada launched several new products that already show signs of becoming big winners.
- To rationalize our manufacturing operations, we carefully examined our under-utilized plant in La Salle, Quebec and regretfully closed it, reassigning its production of apple juice and vinegar to three of our plants elsewhere.

As shareholders, you will probably remember fiscal 1984 as our first year as a public company, with 30 percent of our stock owned by Canadians. For our management team, going public proved to be a salutary experience that heightened the team's sense of accountability while instilling a new sense of national pride in all Campbell employees.

As with most transitions, the full effects of new measures and new thrusts did not have a positive impact on the bottom line in the first year. The dramatic and rapid turnaround of real sales volume bodes well for profits in 1985 and beyond.

## Performance Highlights

Domestic sales were up four percent by volume in fiscal 1984, compared with the previous year. This compares favourably with an industry-wide increase of only one percent.

Campbell brands, which account for 75 percent of the Company's business, were up eight percent in unit sales in fiscal 1984, compared with 1983.

While CanVin unit sales were down nine percent, profits were up mostly as a result of the consolidation of manufacturing operations and the withdrawal from some unprofitable segments.

## Financial Highlights

(in thousands of dollars except per share amounts)	July 29, 1984	July 31, 1983	% Change
<b>Operations</b>			
Net Sales	\$265,053	\$253,343	+ 4.6
Earnings before taxes and extraordinary item	18,613	19,183	— 3.0
Net earnings	10,231	11,925	— 14.2
<b>Financial position</b>			
Working capital	61,742	53,611	+ 15.2
Shareholders' equity	73,533	66,227	+ 11.0
Total assets	123,142	114,522	+ 7.5
<b>Per share</b>			
Net earnings	1.36	1.59	— 14.5
Book value	9.80	8.83	+ 11.0
<b>Key ratios</b>			
Return on net sales	3.9%	4.7%	
Return on average shareholders' equity	14.6%	15.8%	
Current ratio	3.63:1	3.42:1	

Intercompany sales were off 52 percent. In 1983 Campbell Canada was providing the northeastern United States with Prego Spaghetti Sauce until Campbell's U.S. plants came on stream, and that demand was not present in 1984.

The overall result was a 1.6 percent unit sales increase over 1983.

Operating income, up a modest 2.5 percent, would have shown a much greater gain had it not been for substantially increased expenditures on marketing. For the second year in succession, marketing expenses increased by more than 20 percent—27 percent in 1983 and almost 22 percent in 1984. They have already proven themselves as a productive investment, however, in the turnaround of our established product lines and the successful launching of several major new products.

To improve our competitive position we restrained price increases. Even at that, we managed to improve our gross margins by various means—divesting ourselves of some unprofitable lines, bringing certain higher-margin items on stream and introducing a new round of cost improvements into our operations.

**C. David Clark, President  
and Chief Executive Officer**

**Alexander M. Williams,  
Chairman of the Board**





Net income was down 14 percent for the year, but this decline was no surprise. We had prepared ourselves for a decrease caused by the necessary marketing investments, by the higher administrative cost of operating as a public company and by the new obligation to pay out \$2.4 million more in interest on long-term debt than was paid in 1983. In fact, the drop in net income was actually less than it might have been, thanks to the unexpected strength of the improvement in product sales.

### **Financial Condition**

Campbell began the year with a strong balance sheet position and emerged 12 months later in even better shape. By year-end cash and short-term investments showed an improvement of \$6 million, to more than \$21 million, and long-term debt represented less than 20 percent of total capital—putting Campbell in a good position to take advantage of any new investment opportunities. As a matter of basic financial policy, management tries at all times to remain in a position where growth will never be unduly constrained by limited financial resources.

### **Management Changes**

From among our senior management group, I must single out three appointments during the year for special mention here. In February Tom Peddie joined us as Vice President—Finance and Secretary, succeeding John Hospodar, whose move to Campbell's International Division was noted in last year's Annual Report. At fiscal year-end, Norman Barnes, Vice President—Marketing, having built and organized our new marketing team, was asked to head Campbell's International marketing operation working out of the U.S. He has been succeeded by John Cassaday, as Senior Vice President—Marketing and Sales. John joins us from the International Division of a major U.S. food company. He also spent a number of years in senior sales and marketing positions with this company in Canada.



### **Outlook**

Campbell Canada's directors and management team are optimistic for 1985. We are confident that Campbell will again outperform the industry in overall growth. Our long-established product lines should continue to respond to our marketing initiatives, and such new products as Prego Spaghetti Sauce, calorie-reduced soups, and Le Menu—the premium-quality frozen dinners that have already dazzled western Canada—seem certain to win growing acceptance in the national marketplace.

Having said all that, we reserve our greatest praise and sense of appreciation for the manner and extent to which employees throughout the Company have responded to the new challenges of the past year. They have enthusiastically committed themselves to revitalizing Campbell Canada as a dynamic, market-oriented Company in which every aspect of our business—every policy, every product, every job and every action—is dedicated to satisfying the needs of the consumer.

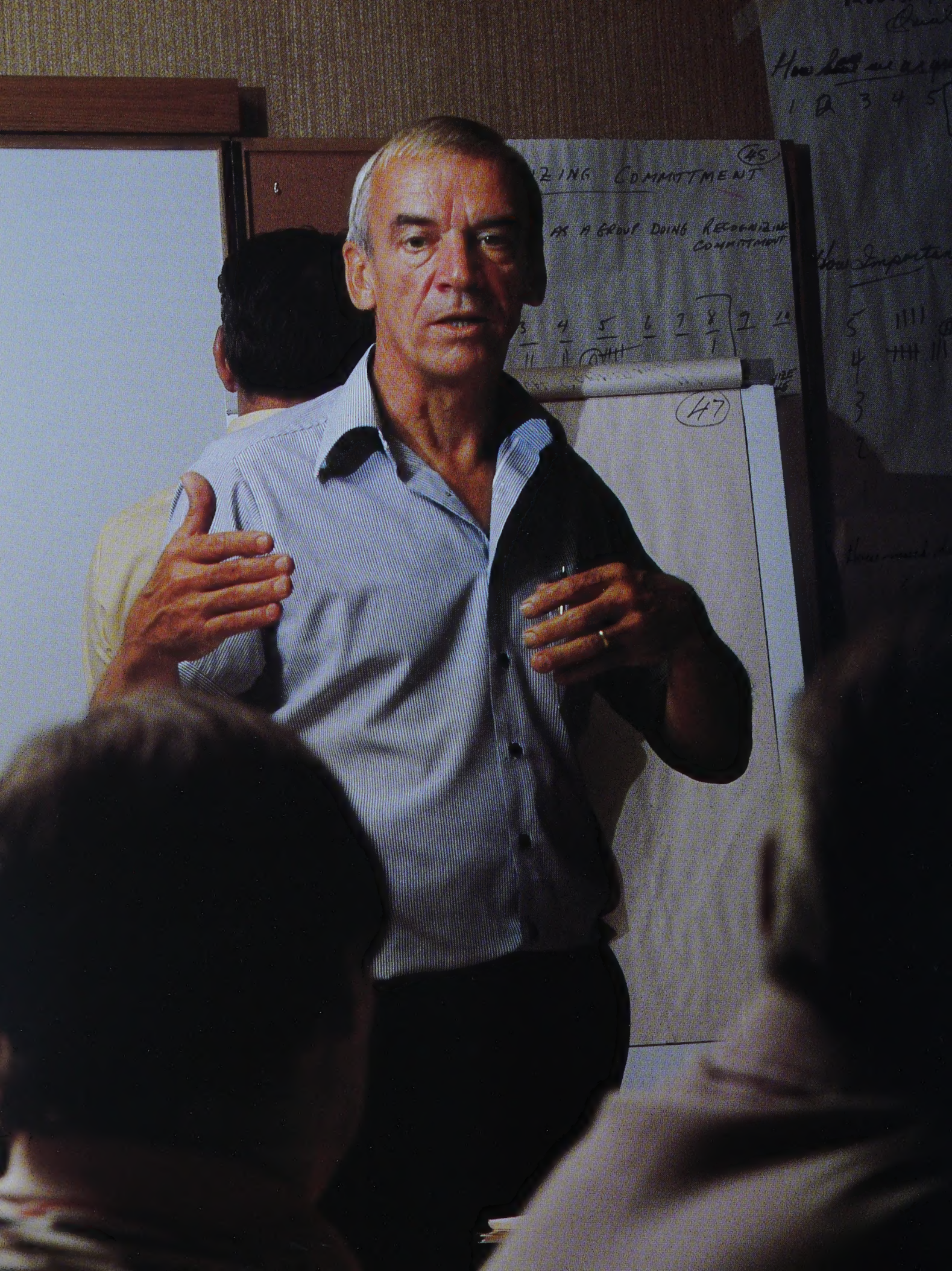
Almost from the first day we began to develop our three "core values," which emphasize market-orientation, the need for creative innovation, and a respect for people, Campbell employees have gained a new sense of purpose and direction.

Having demonstrated the three core values are not just lofty phrases but practical concepts that can produce tangible results, we will continue the implementation process indefinitely. This will be the real key to our success.

After such encouraging beginnings, I am looking forward enthusiastically to fiscal 1985. I am confident that it will be the year when all the long-term plans, efforts, and investments we made in 1983 and 1984 begin yielding the type of results at every level that are truly representative of the excellent Company that Campbell is.

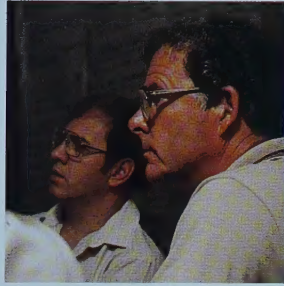
C. David Clark  
President and Chief Executive Officer  
October 11, 1984







# Our Strategic Plan and Its Objectives



Recognizing that the *entire* Company must be involved if a new corporate culture is to take hold, all levels of management have been actively participating in the ongoing strategic planning process. As part of the implementation of this plan, Campbell people throughout the Company are participating in "Toward Excellence" seminars. *Godfrey Drover*, Senior Vice President—Operations (left), leads discussion of how to foster individual commitment at all levels with a group that includes *Grant Burnett* (above left), Manager—Planning at CanVin, and *Joe Somers*, Manager—Engineering & Maintenance at Campbell's Toronto plant.

To attract investor interest in Campbell Canada and to retain and motivate an outstanding group of employees, we have set three key objectives to be achieved over the next four years.

## **Real Growth— 5 percent annual growth in unit volume.**

General population growth, and therefore overall food consumption, can be expected to provide only one to two percent annually. Additional sales growth will come from extensions of existing product lines, new products, new ventures and selected acquisitions. In addition to new products that we are capable of developing on our own, we have access to a regular stream of pre-tested, U.S.-developed products ready to be adapted for the Canadian consumer.

## **Earnings Growth— 15 percent per year.**

Through sales growth, the rationalization of low-margin businesses, the introduction of more profitable new product lines, and entry into new businesses, earnings growth can also be driven to exceed industry norms.

## **Profitability— 18 percent return on average equity.**

Growth alone is not enough; it must be profitable growth, and this requires judicious use of investment dollars and rigorous control of costs.

The gap between these goals and our past performance is addressed in the Strategic Plan implemented early in 1984. Campbell people at every level of management have been involved in the planning process, as analyses, ideas and responses flowed up and down the organization. As a result of this broad participation, our

people have a more comfortable feeling about what they are doing, and a much clearer understanding of where the Company is going and how it is going to get there.

The Strategic Plan gives priority to creating a work environment that fosters pride, creativity and a desire to innovate throughout the organization. The plan lays primary emphasis on market orientation, so that the needs of the consumer govern the manner in which every job is done and every Campbell product is produced.

The practicality of the plan was soon demonstrated when the revamped marketing organization developed programmes and campaigns that quickly turned around all key brands that had been in decline. As noted elsewhere in this report, these programmes have already had a significant and visible effect on unit sales.

In a dynamic Company facing a constantly changing environment, the process of strategic management can never end. Even now, the Plan we put together last year is being refined and retuned.

This continuing exercise gives the Company a flexibility that is vital if it is to anticipate and respond to the changing tastes, habits and desires of the Canadian consumer.







# The Campbell Commitment... to Innovation



Campbell advertising is taking a hard-hitting, aggressive approach to reaching contemporary markets for both its innovative new products and traditional "household name" brands. A recipe using Campbell's Condensed Chicken Broth is prepared for a print ad by **Pat Walker**, Manager—Consumer Services (centre). Helping set up the shot are **Mike Brown**, Product Manager—Pepperidge Farm (left), and **David Forgay**, Marketing Assistant—Red & White Soups (right). And here's the recipe:

## Chicken Chow Mein

125 mL (½ c.)  
celery, sliced diagonally  
250 mL (1 c.)  
mushrooms, sliced  
50 mL (¼ c.)  
green onions, chopped  
125 mL (½ c.)  
red pepper strips  
125 mL (½ c.)  
snow peas  
15 mL (1 tbsp.)  
vegetable oil  
1-284 mL (10 oz.) can  
Campbell's  
Condensed Chicken Broth  
5 mL (1 tsp.)  
Paterson's  
Worcestershire Sauce  
2 mL (½ tsp.)  
ground ginger  
500 mL (2 c.)  
cubed, cooked chicken  
125 mL (½ c.)  
bean sprouts

Sauté vegetables in hot oil five minutes or until tender crisp. Add chicken broth, Worcestershire sauce and ginger. Stir until mixture is heated. Add chicken and bean sprouts. Heat thoroughly. Makes four servings.

Fiscal 1984 was remarkable for the way Campbell Canada and its people embraced a new sense of mission, based on a simple proposition: "To succeed we must grow, and to grow we must change."

Simple though it may be, this proposition involves nothing less than a sweeping cultural change in the organization—a change that is altering the attitudes and actions of the Company and its people.

Campbell Canada is changing from a production-oriented Company to a market-oriented Company; from a Company trailing in innovation to a Company on the leading edge of innovation in its field; from a highly bureaucratic Company to a Company in which people enjoy a large measure of autonomy and accept a corresponding degree of accountability for their actions.

On the marketing side, the increased expenditures noted earlier have enabled Campbell to become more strongly competitive and to provide greater support for its customers. Advertising campaigns, in print and on the air, emphasize the way Campbell is matching traditional quality with contemporary concepts, to create products that satisfy the changing needs of Canadian consumers.

This new orientation to the marketplace represents an even greater challenge for those who work in Campbell's 10 plants, on its three farms and in its laboratories. Their traditional question, "What can we make?", has given way to the more relevant, "What does the

consumer want?" To help them answer that question, hourly-rated and clerical people are visiting stores with members of management to see how Campbell products are displayed. Their observations have led to improvements in packaging and handling techniques both within the plants and in the distribution chain. Meanwhile, studies of consumer preferences have inspired the creation of calorie-reduced soups, premium-quality prepared dinners, home-style soups, tasty snacks that appeal particularly to today's youngsters, and convenient, table-ready meals.

All products, of course, must also meet Campbell's traditional standards of quality and flavour. The main responsibility for that requirement lies basically with the quality-control specialists. However, since no one is more critical of Campbell foods than the people who produce them, workers in some Campbell plants make a regular practice of sampling the day's production and passing judgment on it.

To develop new products and improve existing ones to suit current preferences, Campbell conducts extensive taste tests in consumers' homes and in shopping malls.

Looking continually at developing trends, people at Campbell are combining their imagination and ingenuity with new technology to accommodate such important trends as the increase in microwave cooking and the growing preference for lightweight, unbreakable containers over traditional metal and glass.

All such efforts and plans are made with a single objective in view: to deliver the food products consumers want at prices that represent true value for them.

On the following pages, on a business-by-business basis, is an explanation of how this objective was pursued, and in most cases achieved, during the past fiscal year—as well as some indications of Company plans for 1985 and beyond.



# The Campbell Commitment... to Consumers' Needs

## Canned Soups

Total market	\$271 million
Campbell's share	60%
Market Position	No. 1
Volume change in '84	Red & White, up 2%; Chunky Ready-to-Serve, up 9%
Plant locations	Toronto, Ont. Portage la Prairie, Man.
Other canned foods	Franco-American spaghetti, macaroni and gravies

Soups, which account for the largest single portion of Campbell sales volume, continued to receive a great deal of attention and resources during fiscal 1984. Response to these efforts was most encouraging, as the business grew, with both major brands achieving growth after years of decline. The Company revitalized its basic varieties and introduced some exciting new line extensions and "flankers". Fifteen established varieties underwent product improvements and three new lines were developed. Two of these, Homestyle and low-sodium soups, were introduced in fiscal '84.

Homestyle soups captured one percent of the huge soup market in their first six months, substantially exceeding objectives. Additional varieties of Homestyle soups will be introduced early in 1985.

Similarly, low-sodium soups, after successfully completing a market test in B.C., were rolled out into the rest of Canada amid early signs of success.

Calorie-reduced soups, Campbell's response to the trend towards slimming, were introduced nationally early in fiscal 1985. They are especially notable because the Company has succeeded in producing soups with half the calories in its most popular varieties without sacrificing taste. In fact, in consumer testing calorie-reduced soups were given taste ratings that were as high as, or even higher than, those awarded to existing varieties. The new soups appeal not just to problem dieters but to all who want to maintain or reduce their weight. Campbell research indicates that this segment of the population consists of more than 74 percent of women and 59 percent of men. Based on their early success, Campbell is confident these soups will gain a substantial share of this fast-developing market.

Chunky soups, promoted in a stepped-up advertising campaign emphasizing their unique position as "The Soup That Eats Like A Meal", achieved excellent results: a nine percent increase in sales volume. Even more aggressive marketing initiatives are planned for 1985 to build on these results.

## Spaghetti Sauce

Total market (glass pack only)	\$30 million
Campbell's share	20%
Market position	No. 2
Brand	Prego
Plant location	Chatham, Ont.

Rolled out into English Canada in September 1983, Prego Spaghetti Sauce caught on quickly and has been growing quickly ever since. It has already vaulted into the No. 1 position in its segment in Western Canadian markets after only eight months of sale.



Campbell is a major player in the Canadian agricultural community, both as a buyer and as a supplier of advanced technology. The Company takes an active role in research and development to produce better plant varieties and horticultural techniques. Growers are regularly given assistance and advice to help improve the yield, quality and characteristics of Campbell fruits and vegetables to meet the demanding taste of Canadian consumers. *Glenn Rowett* (right), Manager-Agriculture, discusses tomato varieties at Campbell's Chatham, Ontario test plot with Stan Wonnacott of Wonnacott Farms Ltd.







## Frozen Foods

Total market	\$185 million
Brands	Swanson, Pepperidge Farm, Le Menu
Market share	Dinners, 60%; meat pies, 20%; chicken products, 15%; desserts and pastries, 29%; premium dinners (Alberta only) 25%
Market position	Dinners, No. 1; meat pies, No. 3; chicken products, No. 2; desserts and pastries, No. 3; premium dinners, No. 2
Volume change in '84	Swanson, up 7%; Pepperidge Farm, up 23%
Plant location	Listowel, Ont.

Swanson frozen dinners, long in decline, managed a significant turnaround in 1984 largely through restraint of pricing, product improvements and more aggressive marketing activities. Now Swanson brands are undergoing a further stepped-up programme of product improvements. Having successfully introduced Chicken Burgers and Chicken Sticks in 1983, Swanson is following up on its success with two new formed-chicken finger foods called Drumlets and Mini-Dips, which feature self-contained dipping sauces. Swanson will also be introducing an improved fried chicken dinner in both white and dark meat versions, which have proven successful in the U.S.

Two inter-related events spelled progress in 1984 for the Pepperidge Farm group of frozen desserts and pastries. One was confirmation of

the success of Vegetables in Pastry, which were launched in January 1983. In 1984 they moved rapidly, quickly capturing a 30 percent share of their lead markets. The other event was, in part, a consequence of that new product's success: a resounding 23 percent growth in sales volume for Pepperidge Farm brands as a whole, in reversal of a downward trend of several years' duration.

Meanwhile, two line extensions were added to the brand's baked desserts, and packages for the established lines of frozen layer cakes were given a facelift with new graphics.

In the latest innovation, Vegetables in Pastry (known to insiders as VIPs) introduced a line extension that may be its biggest favourite yet: Mushrooms in Wine Sauce, which earned the highest score ever in Campbell consumer testing.

Probably the most exciting innovation of all is Le Menu, Campbell's new high-quality dinners. Le Menu dinners have already demonstrated that given premium quality and excellent presentation, even people who thought they would never eat a pre-cooked frozen dinner will do so—and will pay as much as \$5.49 for the privilege. Proof of that was supplied last January, when Le Menu had its Canadian debut in Alberta—at a cost in excess of \$1 million. This cost is typical for a major new product, and is one of the reasons why much painstaking consumer research must be carried out before new products are even exposed to a test market.

Such "upfront" commitment is typical of the creative risk-taking essential to success in today's—and tomorrow's—food business. But the rewards for shrewd and careful innovation can be significant: for Le Menu the Company sees a future market of up to \$20 million a year.



**Meeting Campbell's growth expectations requires the introduction at regular intervals of products that receive enthusiastic consumer response. The high cost of launching these new products dictates that these introductions be preceded by extensive product development and exhaustive consumer testing. New additions to the Le Menu dinner line are tested by employees (right) in the product evaluation laboratory under the direction of Heather Nicholson, Research Assistant.**













At every stage of Campbell production, meticulous care is taken with all ingredients to ensure only the finest quality reaches the consumer. *Dave Veino* checks that the tomatoes used at our "V-8" plant in Chatham, Ontario are carefully washed before they are moved by elevator to the final hand-picked selection stage inside the plant.

### Italian Specialties

Brand	Gattuso.
Products	Pastas, tomato sauces and pastes, olives, olive oil, pimentos, gherkins, spaghetti, pizza, and lasagna sauces, Instant Snack in a Cup
Market position (Quebec)	The No. 1 brand in olives and instant snacks
Volume change in '84	Flat
Plant location	Montreal, Que.

Although its volume of business was basically static in 1984, Gattuso's earnings were up largely through increased efficiencies.

### Mixed Vegetable Juices

Total market	\$79 million
Brand	"V-8"
Market share	36%
Market position	No. 1
Volume change in '84	Up 16%
Plant location	Chatham, Ont.

Increased marketing emphasis on such items as a bright new label and a strong radio advertising campaign stressing nutrition, rejuvenated this long-time favourite, which had turned in lack-lustre performances for several years. Television commercials this Fall feature "V-8's" nutritious goodness of eight garden fresh vegetables, a winning theme for today's health-conscious consumer. New "Tetra Brik" containers were introduced in Quebec and Western Canada in 1984.

### Pure Apple Juice

Total market (eastern Canada only)	\$89 million
Brands	Allen's, Mitchell's
Market share	21%
Market position	No. 1
Volume change in '84	Up 7.7% and increased share
Plant locations	Toronto and Thornbury, Ont. Wolfville, N.S.
Other beverages	Orange, grapefruit, fruit drinks, apple crystals

During the last 10 years the per capita consumption of pure apple juice has doubled in Canada. The Company's Allen's and Mitchell's brands are enjoying this growth with a healthy share in the market. Earnings improved substantially due to more effective use of marketing expenditures and increased plant efficiencies. Strategy for the future calls for employment of new processing technology and packaging formats enabling our apple juice operation to remain a low-cost/high-quality producer in its market.









Campbell provides assistance and support to trade customers in displaying its products as well as in developing advertising and promotion programmes. Sharad Patel (left), Account Manager—Canned Foods, discusses a Campbell Soup display with Store Manager Phil Tierney of Dominion Stores.

Condiments

Principal product	Vinegar (white, malt, red wine, cider, salad, pickling)
Retail vinegar market	\$27 million
Market share	Largest producer of bottled vinegar
Other products	A-1 Steak Sauce, Paterson's Worcestershire Sauce, Paxo Stuffing, Bisto gravy maker, Allen's and Mitchell's apple sauce
Volume change in '84	Down 6.6%
Plant locations	Saskatoon, Sask., Toronto and Thornbury, Ont., Wolfville, N.S.

The 6.6 percent decline in volume resulted primarily from lower vinegar sales. All other condiments showed growth of three to seven percent in fiscal 1984. Despite the decline in vinegar volume, profitability of this product group will be enhanced through plant consolidation.

The apple sauce market performed very well during 1984—in a market that has been declining 10 percent a year for some time. Campbell's regular apple sauce shipments were up seven percent, and with the trend to healthier products, unsweetened apple sauce was up 14 percent. Bisto gravy maker increased its business three percent despite declining red meat consumption. Much of this increase was in export sales to the United States.

Mushrooms

Markets	Internal use and retail
Volume change in '84	Up 43%
Farm locations	Portage la Prairie, Man., Wellington, Ont.

Mushrooms were one of the big success stories for Campbell Canada in 1984. As a Company it was already Canada's single largest producer of mushrooms. But this year, production increased to just under 11 million pounds, much of which went directly to the thriving retail market.

FoodService Division

The Campbell FoodService Division has responsibility for sales of all Campbell, CanVin and Gattuso products to the food service industry.

During the year this Division introduced The Restaurant Soup Collection, a selection of six classic frozen soup varieties that have been well received and are now available nationally. As in-store bakeries use more and more ready-to-bake dough products, this has created an excellent opportunity for FoodService's Pepperidge Farm products. In 1984 Pepperidge's frozen turnover and pastry sheet business showed excellent sales growth and the market for these products will continue to expand because of the popularity of in-store bakeries with the consumer. Several other new products and line extensions are planned for 1985.

In an effort to make best use of the Division's direct end-user sales force, Campbell FoodService has reached an agreement with a Canadian manufacturer of Mexican foods to act as its sales broker to the food service industry in Canada. Mexican food is the fastest-growing product category in North America and FoodService can benefit from this enthusiasm through brokerage income. We see this as a major step in deriving the most effective use of the Division's capabilities.



# The Campbell Commitment... to People

As a basic principle of the Company's new corporate commitment, management is placing strong new emphasis on an old Campbell tradition: a profound respect for people coupled with a desire that employees at all levels derive real satisfaction from their jobs and give improved performance in return.

Recognizing that success can come about only through a combination of new attitudes and new actions, Campbell has fostered both—mostly through dozens of new policies and practices affecting day-to-day operations and relationships.

Unquestionably, people's attitudes towards the Company and their work are changing. All employees are being encouraged to be more open about discussing policies and practices—more willing to put forward suggestions about ways of improving performance and working conditions. Every large company has employees who just go through the motions "nine to five," but such people are becoming increasingly scarce around Campbell Canada.

## New Work Environment

This change in attitude can be attributed, at least in part, to an extensive exercise called "Toward Excellence". It is based on such concepts as taking innovative action, encouraging experimentation, sponsoring "champions" (who will initiate change), getting back in touch with people, existing for the customer, fostering individual commitment, and instilling strong core values throughout the Company.

This approach has been manifested in dozens of ways, some big, some small, that have brought about a remarkable change in the work environment at Campbell.

Managers are being asked to delegate more responsibility than ever before, with a concomitant demand for greater accountability from those to whom the responsibility has been given. Senior management, communicating more frequently than ever before with other Campbell people, is gaining valuable new ideas and opinions, from all levels of the Company.

People in middle management, better informed about Company aims and actions, see themselves playing a much more vital role in the decision-making process.

Task forces, recruited largely from among managers and supervisors, have been organized to attack problems and explore alternatives once handled exclusively by management.

## Innovative Programmes

As an example of some specific measures, the following were introduced in fiscal 1984.

*President's Awards:* Citations and—for the most outstanding winners, diamond rings set in gold—are now awarded annually to employees who have performed "above and beyond the call". Special value is placed on examples of innovation and individual initiative. The first winner of a President's Award for 1984 was Bill Clark, Manager of Maintenance for the Listowel plant. Bill demonstrated an outstanding level of initiative in developing a number of truly creative solutions to some difficult production problems, much of it on his own time.

*Name-tag day:* Employees got so much out of this simple exercise in self-identification, which was suggested by an employee, that name tags, worn voluntarily, are going to become a permanent habit at Campbell.

*Open House day* in the spring of 1985 at the Metro Toronto plant on Birmingham Street will give employees an opportunity to show their workplaces to families, friends and neighbours.

*New training programmes* are being offered to help employees improve job related skills.

Employees over 55 are being offered a series of *pre-retirement counselling sessions* coordinated by Campbell's Human Resources Department, with assistance and advice from a retired employee.

Such innovations, reinforced by the new spirit that now permeates the whole Company, have convinced many employees that an exciting evolution is already underway. The Campbell Canada of the late 1980s will be radically different from the organization many of them have known throughout much of their working lives.



By changing day-to-day policies and practices, Campbell is working to create an atmosphere that will encourage innovation and productivity. *Trudy Mat-  
tausch*, Executive Secretary to the Director—Quality Control, *Linda Kreiner*, Secretary in Industrial Engineering, and *Ross McDougall*, Assistant Purchasing Agent, enjoy Company products in the recently refurbished cafeteria.







# Consolidated Balance Sheet

(in thousands of dollars)

July 29, 1984

July 31, 1983

Current assets:		
Cash	\$ 253	\$ 21
Temporary investments, at cost which approximates market	21,537	15,393
Accounts receivable	15,917	14,642
Inventories (Note 2)	46,575	44,476
Prepaid expenses	957	1,202
	<b>85,239</b>	75,734
Plant assets (Note 3)	<b>37,903</b>	38,788
	<b>\$ 123,142</b>	\$ 114,522
Current liabilities:		
Bank indebtedness	\$ 5,065	\$ 3,238
Accounts payable and accrued liabilities	16,299	15,837
Due to affiliated companies	1,360	334
Income taxes payable	773	1,841
Dividend payable	—	873
	<b>23,497</b>	22,123
Note payable (Note 4)	<b>19,887</b>	19,875
Deferred income taxes	<b>6,225</b>	6,297
Shareholders' equity:		
Capital stock (Note 5)	2,500	2,500
Earnings retained in the business	71,033	63,727
	<b>73,533</b>	66,227
	<b>\$ 123,142</b>	\$ 114,522

ALLEN'S

LE MENU

FRANCO-AMERICAN

The accompanying notes are an integral part of the financial statements.

Approved by the board:



Director



Director



# Consolidated Statement of Earnings and Earnings Retained in the Business

(in thousands of dollars except per share amounts)

**52 weeks ended  
July 29, 1984**

52 weeks ended  
July 31, 1983

Revenue:		
Net sales	<b>\$265,053</b>	\$253,343
Interest income	<b>1,718</b>	716
	<b>266,771</b>	254,059
Costs and expenses	<b>245,559</b>	234,315
Interest expense	<b>2,599</b>	561
	<b>248,158</b>	234,876
Earnings before taxes and extraordinary item	<b>18,613</b>	19,183
Taxes on earnings (Note 6)	<b>7,777</b>	7,258
Earnings before extraordinary item	<b>10,836</b>	11,925
Extraordinary item (Note 7)	<b>605</b>	—
Net earnings for the year	<b>10,231</b>	11,925
Earnings retained in the business at beginning of year	<b>63,727</b>	81,808
Dividends (Note 8)	<b>(2,925)</b>	(30,006)
Earnings retained in the business at end of year	<b>\$ 71,033</b>	\$ 63,727
Earnings per share:		
Earnings before extraordinary item	<b>\$ 1.44</b>	\$ 1.59
Net earnings for the year	<b>\$ 1.36</b>	\$ 1.59

The accompanying notes are an integral part of the financial statements.

## Auditors' Report

To the Shareholders of  
Campbell Soup Company Ltd:  
We have examined the consolidated balance sheet of Campbell Soup Company Ltd as at July 29, 1984 and the consolidated statements of earnings and earnings retained in the business and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Company as at July 29, 1984 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Price Waterhouse*

Chartered Accountants  
Toronto, Canada  
September 4, 1984



# Consolidated Statement of Changes in Financial Position

Campbell Soup  
Company Ltd

(in thousands of dollars)	52 weeks ended July 29, 1984	52 weeks ended July 31, 1983
Cash provided by:		
Operations—		
Earnings before extraordinary item	\$ 10,836	\$ 11,925
Items not requiring the use of funds—		
Depreciation	4,071	3,996
Deferred income taxes	(72)	(296)
Amortization of discount on note payable	12	—
(Increase) decrease in working capital (see below)	(1,755)	4,273
Cash provided by operations	13,092	19,898
Sale of plant assets	324	399
Issue of note payable	—	19,875
	13,416	40,172
Cash used for:		
Purchase of plant assets	3,510	3,339
Dividends	2,925	30,006
Extraordinary item (Note 7)	605	—
	7,040	33,345
Increase in cash and temporary investments	\$ 6,376	\$ 6,827
(Increase) decrease in working capital:		
(Increase) decrease in accounts receivable	\$ (1,275)	\$ 1,064
(Increase) decrease in inventories	(2,099)	4,989
(Increase) decrease in prepaid expenses	245	(369)
Increase (decrease) in bank indebtedness	1,827	(4,494)
Increase (decrease) in accounts payable and accrued liabilities	462	3,698
Increase (decrease) in due to affiliated companies	1,026	(375)
Increase (decrease) in income taxes payable	(1,068)	1,841
Increase (decrease) in dividend payable	(873)	(2,081)
	\$ (1,755)	\$ 4,273

*Gattuso*

*Haute Cuisine*

The accompanying notes are an integral part of the financial statements.



# Notes to Consolidated Financial Statements

July 29, 1984

## 1. Summary of significant accounting policies

*Principles of consolidation*—The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary.

*Inventories*—Raw materials, containers and supplies are priced at average cost but not in excess of current replacement cost. Finished products are priced at average production cost but not in excess of selling price less distribution costs.

*Plant assets*—Plant assets are carried at cost less accumulated depreciation. Alterations and major overhauls which substantially extend the lives of properties or materially increase their capacity are capitalized. The amounts of property disposals are removed from plant assets and accumulated depreciation accounts and the differences included in earnings. Ordinary repairs and maintenance are charged to costs and expenses.

*Depreciation*—Depreciation is provided on the straight-line method using the following rates designed to write off the cost of assets over their estimated useful lives:

Buildings	2.2%— 6.7%
Machinery and Equipment	5.0%—20.0%

*Pension plan*—The Company has a non-contributory pension plan covering substantially all employees. Past service pension costs are amortized over a period not exceeding 15 years.

*Translation of foreign currencies*—Monetary assets and liabilities denominated in United States dollars are translated at the approximate year-end rate of exchange. All exchange adjustments are taken to earnings.

*Amortization of discount*—The Company amortizes discount on notes payable over the term of the related obligation on a straight-line basis.

## 2. Inventories

(in thousands of dollars)	1984	1983
Raw materials, containers and supplies	\$ 18,864	\$ 16,756
Finished products	27,711	27,720
	<b>\$46,575</b>	<b>\$44,476</b>

## 3. Plant assets

(in thousands of dollars)	1984	1983
Land	\$ 905	\$ 1,005
Buildings	33,774	33,664
Machinery and equipment	54,090	52,717
Projects in progress	1,546	427
	<b>90,315</b>	<b>87,813</b>
Less: Accumulated depreciation	52,412	49,025
	<b>\$37,903</b>	<b>\$38,788</b>

## 4. Note payable

The note payable bears interest at 11<sup>7</sup>/<sub>8</sub>% per annum and is repayable in five annual instalments of \$4,000,000 commencing July 27, 1989.

## 5. Capital stock

(in thousands of dollars)	1984	1983
Authorized		
—unlimited number of First Preference Shares, issuable in series		
—unlimited number of common shares without par value		
Issued—7,500,000 common shares	\$ 2,500	\$ 2,500



**6. Taxes on earnings**

The Company's effective rate of tax on earnings is made up as follows:

	1984	1983
Combined basic		
Canadian federal and provincial income tax rate	<b>49.4%</b>	49.4%
Increase (decrease) in the income tax rate resulting from:		
Manufacturing and processing profits deduction	<b>(4.3)</b>	(4.6)
Inventory allowance	<b>(3.1)</b>	(3.1)
Investment tax credit	<b>(1.0)</b>	(1.0)
Miscellaneous	<b>0.8</b>	(2.9)
Effective rate of tax on earnings	<b>41.8%</b>	37.8%

**7. Extraordinary item**

The extraordinary item represents a provision for costs associated with the closure of a plant, operated by the Company's wholly-owned subsidiary, in the amount of \$1,141,000, less an income tax recovery of \$536,000.

**8. Dividends**

(in thousands of dollars)	1984	1983
Regular—		
New dividend policy	<b>\$ 2,925</b>	\$ 975
Old dividend policy	—	9,031
Special—	—	20,000
	<b>\$ 2,925</b>	\$30,006

The Company's policy of declaring and paying quarterly dividends approximately equal to the net earnings of the Company for the respective quarter was revised in the month of May, 1983. Under the new dividend policy, the Company paid four quarterly dividends in the aggregate amount of \$3,900,000 during the year ended July 29, 1984, of which \$2,925,000 were declared in fiscal 1984 and \$975,000 in fiscal 1983.

**9. Transactions with related parties**

The Company is a subsidiary of Campbell Investment Company, a wholly-owned subsidiary of Campbell Soup Company, Camden, New Jersey. The Company's operations include certain purchases and sales of raw materials and finished products to and from affiliated companies. In addition, costs and expenses include amounts charged by Campbell Soup Company in respect of management advice and services. Such transactions are not significant to the Company's results.

**10. Segmented information**

The Company and its wholly-owned subsidiary are manufacturers, packagers and distributors of prepared convenience foods, and as such are considered to operate in a single industry. Export sales are not significant to the Company's results.

**11. Lease commitments**

As at July 29, 1984, the minimum future operating lease commitments are as follows:

(in thousands of dollars)

1985	\$1,111
1986	874
1987	630
1988	374
1989	253
1990 and thereafter	272
	<b>\$3,514</b>

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PEPPERIDGE FARM

Campbell's  
SOUP  
CHUNKY  
SOUP



# Six Year Review—Consolidated

(in thousands of dollars except  
per share amounts)

	<b>July 29, 1984</b>	July 31, 1983	August 1, 1982	August 2, 1981	August 3, 1980	July 29, 1979
<b>Operations</b>						
Net sales	<b>\$265,053</b>	\$253,343	\$235,360	\$240,687	\$219,874	\$145,361
Interest and other income	<b>1,718</b>	716	1,114	1,812	1,075	1,811
Costs and expenses	<b>245,559</b>	234,315	217,857	220,168	200,096	131,711
Interest expense	<b>2,599</b>	561	1,295	728	1,330	—
Earnings before taxes	<b>18,613</b>	19,183	17,322	21,603	19,523	15,461
Taxes on earnings	<b>7,777</b>	7,258	6,961	8,940	8,535	6,354
Net earnings	<b>10,231</b>	11,925	10,361	12,663	10,988	9,107
Regular dividends	<b>2,925</b>	10,006	9,475	12,500	9,850	4,000
Depreciation expense	<b>4,071</b>	3,996	3,762	3,757	3,484	2,903
Purchase of plant assets	<b>3,510</b>	3,339	6,300	5,666	4,455	2,913
<b>Year end financial position</b>						
Current assets	<b>85,239</b>	75,734	74,591	79,293	70,532	63,937
Working capital	<b>61,742</b>	53,611	51,057	49,522	50,238	51,410
Plant assets (net)	<b>37,903</b>	38,788	39,845	37,518	37,229	34,454
Total assets	<b>123,142</b>	114,522	114,436	120,159	110,915	101,509
Long-term debt	<b>19,887</b>	19,875	—	—	—	—
Shareholders' equity	<b>73,533</b>	66,227	84,308	83,422	83,259	82,121
<b>Per share</b>						
Net earnings	<b>1.36</b>	1.59	1.38	1.69	1.47	1.21
Book value	<b>9.80</b>	8.83	11.24	11.12	11.10	10.95
<b>Ratios</b>						
Current ratio	<b>3.63:1</b>	3.42:1	3.17:1	2.66:1	3.48:1	5.10:1
Return on net sales	<b>3.9%</b>	4.7%	4.4%	5.3%	5.0%	6.3%
Return on average shareholders' equity	<b>14.6%</b>	15.8%	12.4%	15.2%	13.3%	11.4%
<b>Other data</b>						
Number of shares outstanding	<b>7,500,000</b>	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
Number of employees	<b>2,296</b>	2,386	2,523	2,469	2,691	2,743



# Directors and Officers

## Directors

*Alexander M. Williams*  
Chairman of the Board  
Campbell Soup Company Ltd  
Executive Vice President  
Campbell Soup Company  
and President, Campbell  
International Division,  
Camden, New Jersey

†\* *C. David Clark*  
President and Chief  
Executive Officer  
Campbell Soup Company Ltd  
Toronto, Ontario

*W. Godfrey Drover*  
Senior Vice President—  
Operations  
Campbell Soup Company Ltd  
Toronto, Ontario

*John H. Grisdale*  
Senior Vice President—  
Administration and Corporate  
Services  
Campbell Soup Company Ltd  
Toronto, Ontario

\* *Jacques J. Giasson*  
Chairman of the Board and  
Chief Executive Officer  
Groulx-Robertson Ltd.  
Montreal, Quebec

† *Edward J.M. Huycke, Q.C.*  
Partner  
Osler, Hoskin & Harcourt  
Toronto, Ontario

*Burton C. Matthews*  
President  
University of Guelph  
Guelph, Ontario



*R. Gordon McGovern*  
President and  
Chief Executive Officer  
Campbell Soup Company  
Camden, New Jersey

† *George L. O'Leary*  
Chairman, President and  
Chief Executive Officer  
Scott Paper Company Limited  
Vancouver, British Columbia

\* *John A. Rhind*  
Chairman of the Board and  
Chief Executive Officer  
Confederation Life  
Insurance Company  
Toronto, Ontario

\* Audit Committee  
† Compensation Committee

## Officers

*Peter M. Barkla*  
Vice President—  
Human Resources

*John M. Cassaday*  
Senior Vice President—  
Marketing and Sales

*C. David Clark*  
President and  
Chief Executive Officer

*William A. Craig*  
Treasurer

*W. Godfrey Drover*  
Senior Vice President—Operations

*Robert J. Galloway*  
Vice President—Advertising  
and Marketing Services

*Charles J. Gower*  
Vice President—Sales

*John H. Grisdale*  
Senior Vice President—  
Administration and Corporate  
Services

*Thomas C. Peddie*  
Vice President—Finance  
and Secretary

*Alexander M. Williams*  
Chairman of the Board

**Board of Directors**  
(from left to right): R. G.  
McGovern, W. G. Drover,  
E. J. M. Huycke, C. D.  
Clark, B. C. Matthews,  
A. M. Williams, J. J.  
Giasson, J. H. Grisdale,  
J. A. Rhind, G. L. O'Leary.



### **Rapport annuel**

Si vous désirez recevoir ce rapport en français, veuillez vous adresser au Secrétaire, Les Soupes Campbell Ltée, 60 Birmingham St., Toronto, (Ontario) M8V 2B8.

### **Corporate Data**

#### *General Office*

Campbell Soup Company Ltd  
60 Birmingham Street  
Toronto, Ontario M8V 2B8  
(416) 251-1131

#### *Transfer Agent and Registrar*

The Canada Trust Company  
Halifax, Montreal, Toronto, Winnipeg,  
Regina, Calgary, and Vancouver

For Shareholder Information, contact:  
Thomas C. Peddie  
Vice President—Finance and Secretary

### **Plant Locations**

Chatham, Ont.	Juices and vegetable processing
Listowel, Ont.	Frozen foods
St. Marys, Ont.	Poultry processing
Thornbury, Ont.	Juices and condiments
Toronto, Ont.	Canned foods
Toronto, Ont.	Juices and condiments
Portage la Prairie, Man.	Canned foods
Wolfville, N.S.	Juices and condiments
Montreal, Que.	Italian specialties
Saskatoon, Sask.	Condiments

### **Farms**

Listowel, Ont.	Poultry
Wellington, Ont.	Mushrooms
Portage la Prairie, Man.	Mushrooms

### **District Sales Offices**

Dartmouth, N.S.	Winnipeg, Man.
Montreal, Que.	Calgary, Alta.
Toronto, Ont.	Burnaby, B.C.



Campbell Soup Company Ltd  
60 Birmingham Street  
Toronto, Ontario M8V 2B8



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CAMPBELL SOUP COMPANY LTD

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOVEMBER 28, 1984

AND

MANAGEMENT PROXY CIRCULAR

To be held at 2:00 p.m.  
Wednesday, November 28, 1984  
Regency West Room, Four Seasons Hotel  
Toronto, Ontario

# CAMPBELL SOUP COMPANY LTD

## NOTICE OF 1984 ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Shareholders of Campbell Soup Company Ltd will be held in the REGENCY WEST ROOM, FOUR SEASONS HOTEL, 21 AVENUE ROAD, TORONTO, ONTARIO ON WEDNESDAY, NOVEMBER 28, 1984, AT 2:00 O'CLOCK IN THE AFTERNOON (TORONTO TIME) for the purpose of:

- (a) receiving the Directors' annual report and the consolidated financial statements of the Company for the fiscal year ended July 29, 1984, together with the Auditors' report thereon;
- (b) electing Directors for the ensuing year;
- (c) appointing Auditors and authorizing the Board of Directors to fix their remuneration;
- (d) transacting such other business, including amendments to the foregoing, as may properly come before the Meeting, or any adjournments thereof.

BY ORDER OF THE BOARD OF DIRECTORS



Thomas C. Peddie  
Secretary

Toronto, Ontario, October 31, 1984.

Note: Shareholders are requested to complete and return the enclosed form of proxy in the envelope provided.



CAMPBELL SOUP COMPANY LTD  
60 Birmingham Street  
Toronto, Ontario  
M8V 2B8

## **MANAGEMENT PROXY CIRCULAR**

October 31, 1984

### **GENERAL INFORMATION**

THIS PROXY CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES ON BEHALF OF THE MANAGEMENT OF CAMPBELL SOUP COMPANY LTD ("COMPANY") FOR THE ANNUAL MEETING OF SHAREHOLDERS ("MEETING") MENTIONED IN THE FOREGOING NOTICE OF MEETING.

If the enclosed form of proxy is duly completed and returned, all shares in respect of which the persons named therein are appointed to act, will be voted or withheld from voting, in accordance with the Shareholder's specifications, on any ballot that may be called for at the Meeting. Should no such specification be made, then the shares will be voted as stated in the proxy.

The cost of sending notice of the Meeting and soliciting proxies for the Meeting will be paid by the Company.

THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY ARE DIRECTORS OF THE COMPANY. A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR SUCH SHAREHOLDER AT THE MEETING. Such right may be exercised by completing the enclosed form of proxy or by completing another appropriate form of proxy and, in either case, delivering or mailing the completed proxy to the Secretary of the Company before the Meeting.

Pursuant to subsection 4 of Section 142 of the Canada Business Corporations Act, any Shareholder may revoke a proxy previously given by submitting another proxy or other appropriate instrument in writing, executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized person, and depositing it either at the registered office of the Company located at 60 Birmingham Street, Toronto, Ontario, M8V 2B8, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or with the Chairman of the Meeting on the day of and up to the time of the Meeting or any adjournment thereof or in any other manner permitted by law.

THE ENCLOSED FORM OF PROXY WILL CONFER DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN WITH RESPECT TO AMENDMENTS TO THE MATTERS SET FORTH IN THE NOTICE AND WITH RESPECT TO ANY OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE MEETING.

To the best of management's knowledge, the only business which will be presented for action at the Meeting is the business described in the Notice. IF AMENDMENTS TO THE MATTERS IDENTIFIED IN THE NOTICE OF THE MEETING OR IF OTHER MATTERS PROPERLY COME BEFORE THE MEETING, IT IS THE INTENTION OF THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO VOTE IN ACCORDANCE WITH THEIR JUDGEMENT ON SUCH MATTERS.

## **VOTING SHARES**

As of October 31, 1984, the Company had outstanding 7,500,000 common shares. The Company's common shares are the only shares entitled to be voted at the Meeting and each such common share is entitled to one vote.

The record date for the determination of the persons entitled to receive notice of and to attend and vote at the Meeting is deemed by the Canada Business Corporations Act to be at the close of business on October 31, 1984, except to the extent that subsequent transferees become entitled to vote by complying with the requirements of subsection 2 of Section 132 of that Act.

As of October 31, 1984, Campbell Investment Company (a wholly-owned subsidiary of Campbell Soup Company) owned 5,250,000 common shares of the Company, representing seventy percent (70%) of the total outstanding common shares.

The Directors and Officers of the Company have no knowledge of any person or corporation other than Campbell Investment Company which beneficially owns or exercises control or direction over more than ten percent (10%) of the outstanding common shares of the Company.

A quorum at the Meeting will consist of Shareholders present in person or represented by proxy holding not less than a majority of the common shares.

## **ELECTION OF DIRECTORS**

Under the Articles and By-Laws of the Company, the Board of Directors consists of a minimum of 3 members and a maximum of 15 members; the number of Directors within such range is to be determined by the Board from time to time. The Directors have determined that the Board of Directors shall consist of ten (10) members. Directors are elected by the highest number of votes cast in respect of their election at the Meeting.

IT IS THE INTENTION OF THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY (IN THE EVENT THAT AUTHORITY IS NOT WITHHELD) TO VOTE IN FAVOUR OF THE ELECTION TO THE BOARD OF DIRECTORS OF THE TEN NOMINEES OF MANAGEMENT LISTED IN THE FOLLOWING TABLE (ALL OF WHOM ARE NOW MEMBERS OF THE BOARD) FOR TERMS TO EXPIRE AT THE CLOSE OF THE 1985 ANNUAL MEETING OF SHAREHOLDERS OR UNTIL A SUCCESSOR IS ELECTED OR APPOINTED.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR BUT SHOULD ANY NOMINEE FOR ANY REASON BECOME UNABLE BEFORE THE MEETING TO SERVE AS A DIRECTOR, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY WILL VOTE FOR THE ELECTION OF ANOTHER NOMINEE TO THE OFFICE OF DIRECTOR IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS WITHHELD AUTHORITY FROM VOTING IN THE ELECTION OF DIRECTORS.

The table and notes below show as of October 31, 1984, (1) the name of each Nominee; (2) the present principal occupation or employment of each Nominee; (3) all other major positions and offices held by each Nominee with the Company and significant affiliated companies; (4) the period during which each Nominee has served as a Director; and (5) the number of common shares of the Company and of Campbell Soup Company beneficially owned by each Nominee or over which each Nominee exercises control or direction (unless otherwise indicated, no shares are owned, controlled or directed).



NOMINEE	Director Since	Common Shares of the Company
ALEXANDER M. WILLIAMS Chairman of the Board of the Company Executive Vice President, Campbell Soup Company (Convenience Foods) and member of its Board of Directors, and President Campbell International Division	November 5, 1982	See Note 2
*C. DAVID CLARK President and Chief Executive Officer of the Company	March 28, 1983	100
W. GODFREY DROVER Senior Vice President – Operations of the Company	September 23, 1981	200
JOHN H. GRISDALE Senior Vice President – Administration and Corporate Services of the Company	February 26, 1980	500
*JACQUES J. GIASSEN Chairman of the Board and Chief Executive Officer, Groulx-Robertson Ltd. (Manufacture and Sale of Industrial Solvents)	November 28, 1978	—
EDWARD J. M. HUYCKE, Q.C. Partner, Osler, Hoskin & Harcourt (Barristers and Solicitors)	June 24, 1975	500
DR. BURTON C. MATTHEWS President University of Guelph (Education)	September 21, 1978	—
R. GORDON McGOVERN President and Chief Executive Officer, Campbell Soup Company (Convenience Foods), and member of its Board of Directors	November 5, 1982	See Note 2
GEORGE L. O'LEARY Chairman, President, and Chief Executive Officer, Scott Paper Company Limited (Manufacture and Sale of Paper Products)	May 27, 1975	200
*JOHN A. RHIND Chairman of the Board and Chief Executive Officer, Confederation Life Insurance Company (Life Insurance)	September 21, 1978	500

NOTES:

1. \* Indicates Member of the Audit Committee.
2. R. Gordon McGovern and Alexander M. Williams are Officers, Directors and Shareholders of Campbell Soup Company which owns all of the issued and outstanding shares in the capital stock of Campbell Investment Company. Alexander M. Williams is also an Officer of Campbell Investment Company. A statement of the beneficial ownership of shares in the capital stock of the Company by Campbell Investment Company may be found under "Voting Shares". R. Gordon McGovern owns 3,575 common shares of Campbell Soup Company and Alexander M. Williams owns 6,909 common shares of Campbell Soup Company.
3. W. Godfrey Drover owns 822 common shares of Campbell Soup Company and John H. Grisdale owns 100 common shares of Campbell Soup Company.
4. Information as to the number of common shares beneficially owned not being within the knowledge of the Company has been furnished by the Directors individually.
5. The Directors and Officers of the Company, as a group, are indemnified against certain liabilities pursuant to by-law provisions and a Directors and Officers Liability Insurance Policy maintained by Campbell Soup Company for itself and all of its affiliates, including the Company. That policy has an overall liability limitation of U.S. \$30,000,000 per year. The general effect of the indemnification, with certain exceptions, is that if a claim is made against a Director or Officer of the Company while acting as such in good faith and without dereliction of duty, indemnification will be provided for the losses, costs and expenses which the Director or Officer shall become obligated to pay. Campbell Soup Company pays the entire premium for the Directors and Officers liability insurance.

## REMUNERATION OF DIRECTORS AND OFFICERS

The table on page 7 shows the aggregate remuneration paid or payable during the fiscal year ended July 29, 1984 to the Directors of the Company as Directors and, separately, to the Officers of the Company.

No remuneration was paid or payable to any Directors as such by any subsidiary of the Company.

No Director who receives salary as an Officer of the Company receives additional remuneration as a Director or member of any committee of the Board of Directors and neither of Mr. McGovern nor Mr. Williams (both of whom are also Directors and Officers of Campbell Soup Company) receive any remuneration from the Company or its subsidiaries or participate in any of its employee benefit plans.

The estimated aggregate cost to the Company and its subsidiaries in the fiscal year ended July 29, 1984 of all pension or retirement benefits proposed to be paid upon retirement at normal retirement age to the Directors and Officers of the Company as a group was \$51,000; however, no part of this cost is attributable to Directors who are not Officers.



## NATURE OF 1984 REMUNERATION

	Directors Fees	Salaries	Bonuses	Non- Accountable Expenses	Other (Note 1)	Total
<b>Remuneration of Directors who were not Officers (5 persons)</b>	\$38,000	—	—	—	—	\$ 38,000
<b>Remuneration of Officers who received in excess of \$40,000 (Note 2)</b>						
Campbell Soup Company Ltd (10 persons including 3 Officers who were also Directors)	—	\$803,588	\$49,511	—	\$61,535	\$ 914,634
CanVin Products Limited (3 Officers)	—	\$172,730	\$ 4,000	—	\$17,300	\$ 194,030
<b>TOTAL</b>	\$38,000	\$976,318	\$53,511	—	\$78,835	\$1,146,664

Note 1 — 'Other' includes automobile allowance, provincial medicare and life insurance.

Note 2 — Aggregate remuneration paid or payable to the Officers of the Company, as a group (13 Officers) was \$1,108,664.

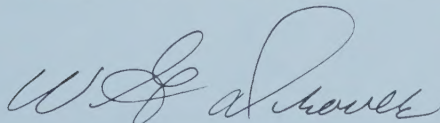
### APPOINTMENT OF AUDITORS

At the Meeting, a motion will be made to appoint Price Waterhouse of Toronto as Auditors of the Company to serve until the close of the 1985 Annual Meeting of Shareholders at a remuneration to be fixed by the Directors. To become effective, the motion must be approved by a majority of the votes cast at the Meeting.

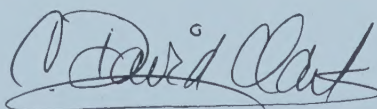
The Board of Directors recommends that the Shareholders vote in favour of such appointment, and IT IS THE INTENTION OF THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO SO VOTE (IN THE EVENT THAT AUTHORITY IS NOT WITHHELD).

### DIRECTORS' APPROVAL

The Board of Directors of the Company has approved the contents of this Management Proxy Circular and its sending to the Shareholders.



W. Godfrey Drover  
Director



C. David Clark  
Director

October 31, 1984

